



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

April 24, 2008

To: Supervisor Yvonne B. Burke, Chair
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

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MICHAEL D. ANTONOVICH
Fifth District

SACRAMENTO UPDATE

Legislative and Budget Activity Increases

April 18, 2007 was the deadline for policy committees to meet and report to fiscal committees on any fiscal bills that were introduced within their house. May 2, 2008 is the last day for policy committees to meet and report to the floor any non-fiscal bills that were introduced within their house. As such, a number of bills have recently been heard in committee, some of which were significantly amended to include new provisions unrelated to the original intent of the bill. In addition, a number of budget hearings have been held addressing programs of significant interest to the County.

Senate Budget Hearing on Child Welfare Services

On April 21, 2008, Senate Budget and Fiscal Review Subcommittee #3 on Health and Human Services held a hearing on child welfare issues. The Governor's budget proposes to reduce child welfare services Statewide by \$129.6 million. In Los Angeles County, the estimated loss to the Department of Children and Family Services (DCFS) is estimated at \$25.6 million. Various advocacy groups and public officials, including a representative from DCFS, urged the Subcommittee to reject the Governor's proposal. The County's representative testified that this reduction would eliminate up to 320 positions in the Department, which would necessitate social workers spending less time with children and families, and could ultimately compromise child safety. The Subcommittee did not take any action.

Informational Hearing - Health Facility/Emergency Room Closures in Los Angeles

The Assembly Health Committee will hold an informational hearing on Friday, May 2, 2008 at 10:00 a.m. on the impact on access to care of health facility and emergency room closures. The hearing will take place at the Wallis Annenberg Building for Science Learning and Innovation, Muses Room, California Science Center, 700 Exposition Park, located at 39th and Figueroa Streets in Los Angeles.

A representative from the County's Department of Health Services (DHS) will be testifying at the hearing to discuss emergency room closures and the impact it has on access to care. The following organizations also have been invited to present testimony: Los Angeles County Medical Association, California Association of Hospitals and Health Systems, Community Clinics Association, Drew University, Los Angeles Health Action, Hospital Association of Southern California, and the Western Center on Law and Poverty.

Pursuit of County Position on Legislation

AB 2702 (Nuñez), as introduced on February 22, 2008, would add standby emergency departments (EDs) located in Los Angeles County to the list of eligible recipients of the physician portion of the Maddy Emergency Medical Services (EMS) Fund. The EMS Fund was established by the Emergency Medical Services System and Prehospital Emergency Medical Care Personnel Act (the EMS Act), which authorized counties to provide for deposit of certain penalties, forfeitures and fines into the fund. Maddy EMS funds are used to reimburse physician services provided to the uninsured in hospital emergency departments if the services are provided in a hospital with a basic or comprehensive emergency department license, or a standby ED license in a small or rural hospital. The purpose of these funds is to reimburse physicians providing care at hospitals that receive 9-1-1 ambulance traffic. As such, these facilities are part of the EMS system.

The author's staff indicated in recent discussions that AB 2702 is specifically intended to make Community and Mission Hospital of Huntington Park (CMHHP), an acute care hospital with a licensed standby ED, eligible for Maddy EMS Funds. However, Department of Health Services (DHS) staff report that the actual effect of the bill would be to make all standby EDs located in Los Angeles County eligible for Maddy EMS Funds.

Under existing regulations, licensure as a basic or comprehensive ED requires a physician on duty at all times, whereas a standby ED only requires a physician available on call. A hospital with a basic or comprehensive ED license must have a variety of other essential service capabilities including intensive care, laboratory, radiological, and surgical and post-anesthesia services. Los Angeles County does not designate standby

facilities as 9-1-1 ambulance receiving hospitals. In rural areas where very few alternatives exist for many miles, certain rural EMS systems have designated hospitals with standby ED licensure as 9-1-1 ambulance receiving hospitals for patients they are capable of managing, but not including the most critical.

DHS is concerned that AB 2702 would establish the precedent of expanding funding to facilities that do not meet criteria to receive 9-1-1 ambulances, further eroding the already underfunded and fragile EMS system. The EMS program is experiencing increasing numbers of participating physicians and a corresponding increase in the numbers of claims for reimbursement. In Los Angeles County, physicians providing services at 72 private hospitals with designated basic or comprehensive ED access this fund for reimbursement of uninsured claims. Further dilution of the fund for purposes unintended by the original regulation not only reduces the funding to the existing designated 9-1-1 ambulance receiving facilities, but discourages hospitals from maintaining the basic ED licensure status if hospitals with fewer requirements receive the same funding. AB 2702 would have the unintended and potentially dangerous consequence of providing an incentive to hospitals to downgrade from basic or comprehensive EDs. This would result in fewer hospitals able to provide the services necessary to manage 9-1-1 patients.

DHS and this office oppose AB 2702. Opposition to AB 2702 is consistent with existing Board policy to support permanent, stable funding for the County's public and private emergency and trauma care system. Therefore, **our Sacramento advocates will oppose AB 2702.**

AB 2702 is sponsored by the author and supported by the Beverly Emergency Medical Group, Inc., Community and Mission Hospital of Huntington Park, and Western Acute Care Physicians Medical Group, Inc. The California American College of Emergency Physicians and the California Hospital Association have indicated their intent to oppose this bill. AB 2702 is scheduled for hearing in the Assembly Health Committee on April 29, 2008.

SB 1132 (Migden) would eliminate the requirement that former foster youth between 18 and 21 years of age complete an application or other paperwork as a condition of receiving ongoing Medi-Cal benefits. Under current law, former foster youth who received Medi-Cal benefits prior to their 18th birthday are eligible to Medi-Cal benefits until they reach the age of 21. As a condition of receiving ongoing benefits, former foster youth must complete a simplified Medi-Cal application. SB 1132 would eliminate this requirement.

The Department of Children and Family Services (DCFS) indicates that it is essential that former foster youth maintain health care coverage during the pivotal time in which they emancipate. According to DCFS, SB 1132 would help provide a seamless transition to

emancipation by ensuring that there is no lapse in Medi-Cal benefits for former foster youth.

DCFS and this office support SB 1132. Support of SB 1132 is consistent with existing Board policy to support proposals to simplify Medi-Cal eligibility rules and application and processes, promote retention of Medi-Cal benefits, and to facilitate successful emancipation of youth aging out of foster care. Therefore, **our Sacramento advocates will support SB 1132.**

SB 1132 is co-sponsored by the County Welfare Directors Association, Alliance for Children's Rights, University of San Diego, and Western Center on Law and Poverty. The bill is supported by the California Mental Health Directors Association, California State PTA, Lambda Letters Project, Law Foundation of Silicon Valley, Public Interest Law Firm, and the Urban Counties Caucus. There is no registered opposition. SB 1132 passed the Senate Health Committee on March 26, 2008 by a vote of 10 to 1. The bill was placed on the Senate Appropriations Committee Suspense File on April 14, 2008.

SB 1165 (Kuehl), as amended on April 9, 2008, would revise the procedures for preparing and commenting on a draft Environmental Impact Report (EIR), negative declaration, or mitigated negative declaration, and clarify that the draft document must be prepared directly, or under contract to, the lead agency, and revise the procedures for preparing a subsequent or supplemental EIR under the California Environmental Quality Act (CEQA).

Existing law requires a draft EIR to be prepared directly, or under contract to, a public agency and provides that anyone may submit information or comments for consideration to the public agency in any format. SB 1165 clarifies that the lead agency has the responsibility of performing or contracting for the preparation of the EIR. In addition, existing law provides that a subsequent or supplemental EIR is not required when an EIR has been prepared for a project unless substantial changes are proposed that require major EIR revisions, substantial changes occur with respect to the circumstances under which the project is being undertaken, or new information becomes available that was not known and could not have been known at the time the EIR was certified.

SB 1165 would authorize a person to submit information or comments to the lead agency and require the lead agency to consider and retain written communications. The bill also requires a lead agency to make administrative drafts of EIRs and other documents available to the public if the administrative draft is circulated to the project applicant. An administrative draft is defined as an EIR, negative declaration, or mitigated negative declaration, or portion of those documents circulated by the lead agency to a responsible agency prior to public notice of the draft document. In addition, the bill prohibits a lead agency from relying on an EIR that was certified more than five

years prior without treating that EIR as an uncertified draft EIR that must be recirculated for public review and comment prior to any further action.

The Department of Regional Planning (DRP) indicates that while the objective of SB 1165 is to provide for more "open government" in the environmental review process, it would make the process more cumbersome for all parties involved. SB 1165 would result in multiple reviews of administrative drafts in addition to the review draft circulated to the public. An increase in the review period for each administrative draft would become necessary, thereby slowing the processing of the project and increasing the costs to the applicants. Constituents and other concerned parties would submit comments on older drafts that have since been revised, which has the potential to cause further confusion. DRP indicates that the additional staff time to distribute the drafts and respond to public comments and inquiries would be significant.

DRP also indicates that the provision of SB 1165 prohibiting a lead agency from relying on an EIR that was certified more than five years prior could potentially affect all tentative track maps, revised, and amended tract and parcel maps which are currently under extensions provided by the Subdivision Map Act. If a tentative map is in its final year of extension, and the certified EIR is decertified, the applicant may be required to start the entire process over again. Finally, DRP indicates that this bill would make it much more difficult for the County to meet its share of the State-mandated regional housing needs allotment.

The Department of Parks and Recreation (DPR) indicates that similar impacts will result within their operations with regard to processing time, increased administrative costs, and project delays. DPR advises that the existing process is effective in resolving issues early in the process, prior to finalizing the draft EIR. In addition, the existing review process assists in consultation between agencies for the purpose of complying with relevant regulations.

The Department of Public Works (DPW) indicates, consistent with DRP and DPR, that the mandated 5-year expiration date proposed by SB 1165 would have significant adverse impact on projects within the County. In addition, changes in environmental regulations and standards (such as lower emissions thresholds) require an EIR for projects that were previously exempt or required only a negative declaration. As such, SB 1165 will potentially impact many additional projects that now require additional environmental documentation. DPW also indicates that SB 1165 is likely to lead to reduced services and impede the public infrastructure goals of the recently passed bond initiatives such as Propositions 13, 84, and 1E.

DRP, DPR, DPW and this office recommend the County oppose SB 1165. Opposition is consistent with existing policy to oppose legislation that would constitute State

unfunded land use and general-plan related mandates on local governments. **Therefore, our Sacramento advocates will oppose SB 1165.**

SB 1165 is supported by a variety of organizations, including the Baldwin Hills Conservancy, California Coast Keeper Alliance, Coalition for Clean Air, Heal the Bay, League of Women Voters of California, Mujeres de la Tierra, Occidental College, and Planning and Conservation League. The bill is opposed by numerous organizations, including the American Planning Association California Chapter, Association of California Water Agencies, California Association of Environmental Professionals, California Association of Realtors, California Association of Sanitation Districts, California Building Industry Association, California Chamber of Commerce, California Forestry Association, California Manufacturers & Technology Association, California Retailers Association, and the Orange County Board of Supervisors. SB 1165 passed the Senate Environmental Quality Committee on April 14, 2008 by a vote of 4 to 3. The bill is currently set for hearing in the Senate Appropriations Committee on April 28, 2008.

Status of County Sponsored Legislation

County-sponsored AB 1903 (Hernandez), which would restore partial liability immunity for use of the County's flood control system to transport conserved water, was approved by the Assembly Appropriations Committee on its consent calendar. The measure proceeds to the Assembly Floor, where it is also expected to be placed on the consent calendar.

County-sponsored SB 1184 (Kuehl), which would require clinical laboratories to report all CD4 count test results to local health officers within seven days of the completed test, passed the Senate on April 21, 2008 by a vote of 38 to 0, and now proceeds to the Assembly.

Status of County Advocacy Legislation

County-supported AB 1491 (Jones), as amended on March 3, 2008, which would extend the deadline for the transfer of responsibility for court facilities from the counties to the State Judicial Council through December 31, 2009, was signed by the Governor on April 23, 2008 as Chapter 9, Statutes of 2008. As an urgency measure, this bill is effective immediately.

County-opposed AB 1917 (Dymally), as amended on March 3, 2008, which would authorize Los Angeles County, by a resolution adopted by a majority vote of the Board of Supervisors, to classify physicians working in a County jail or a locked County mental health facility as safety members for purposes of retirement, was amended in the Assembly Committee on Public Employees, Retirement and Social Security on

April 23, 2008. The bill's provisions related to providing physicians working in the jail and locked mental health facilities with safety retirement status were deleted. Although the amended version of AB 1917 is not yet in print, our Sacramento advocates advise that the intent is to allow the County the option of providing physicians working in a county jail or locked mental health facility with death and disability benefits similar to those provided to State industrial members under the California Public Employees' Retirement System. The measure was approved in the Assembly Public Employees, Retirement and Social Security Committee on a partisan vote of 4 to 2 and now proceeds to the Assembly Floor.

County-supported SB 1236 (Padilla), as amended on April 3, 2008, which would extend the sunset date from January 1, 2009 to January 1, 2014 for county boards of supervisors to levy an additional penalty assessment for pediatric trauma and emergency care services, passed the Senate on April 21, 2008 by a vote of 29 to 8, and now proceeds to the Assembly.

County-supported SB 1349 (Cox), as amended on April 21, 2008, which would require the State Controller's Office to reimburse county contractors or subcontractors for mental health services within 90 days after the receipt of a reimbursement claim by the California Department of Mental Health (CDMH) and require that interest be paid from CDMH's budget for claims that are not paid within the 90-day timeframe, passed the Senate Appropriations Committee on April 21, 2008, by a vote of 14 to 0, and now proceeds to the Senate Floor. The amendments would delay the implementation of interest penalties to July 1, 2009.

We will continue to keep you advised.

WTF:GK:MAL
DD:IGR:lm

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants